

Below is an order of the court.

  
\_\_\_\_\_  
PETER C. MCKITTRICK  
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF OREGON

In Re: )  
PETER SZANTO, ) Bankruptcy Case No.  
 ) 16-33185-pcm7  
 )  
 ) ORDER DENYING DOC.  
 ) 729  
Debtor. )  
\_\_\_\_\_ )

In December of 2018, the Court entered an order approving an application by the then chapter 7 trustee, Stephen P. Arnot (Arnot) to employ legal counsel in Singapore (Singapore Counsel) pursuant to 11 U.S.C. § 327 and Fed. R. Bankr. P. 2014. Doc. 625 (the First Employment Order). Arnot employed Singapore Counsel to assist him in domesticating and/or registering in Singapore this Court's October 2, 2018, Order Granting Trustee's Motion for Contempt (the Contempt Order). Doc. 590. The Contempt Order requires, among other things, that Debtor sign documents authorizing HSBC Bank Singapore Ltd. (HSBC) to release information to the Trustee and assist the Trustee in obtaining turnover of all property of the bankruptcy estate that Debtor transferred to

1 and/or was on deposit with HSBC. The Court ultimately overruled Debtor's  
2 objections to the First Employment Order. See Doc. 651.

3 Arnot resigned as chapter 7 trustee on March 26, 2019. Doc. 701.  
4 On the same day, Candace Amborn (Amborn) was appointed successor trustee.  
5 Doc. 702. Shortly thereafter, Amborn filed an amended application to  
6 employ Singapore Counsel that is identical in substance to the  
7 application filed by Arnot. See Doc. 722. The court approved Amborn's  
8 application to employ Singapore Counsel in an order entered on April 10,  
9 2019 (the Second Employment Order). Doc. 722.

10 Debtor has now filed a motion captioned Debtor's Notice of Motion  
11 and Motion to Disqualify and/or Strike-Out Sham Employment Application of  
12 Singapore counsel and Order Thereon (Docket Entries 625 and 722) (the  
13 Motion to Vacate). Doc. 729. Debtor argues that the First Employment  
14 Order and Second Employment Order (referred to collectively as the  
15 Employment Orders) should be vacated because Singapore Counsel are not  
16 licensed to practice law in the United States and thus may not appear  
17 before a court in this Federal District under LBR 9010-1(a) and LR 83-3.  
18 Debtor also argues that Singapore Counsel are not disinterested as  
19 required under § 327(a) because they have interests adverse to Debtor's  
20 interests. The Court rejects both arguments.

21 Debtor's argument that the Employment Orders should be vacated  
22 because they violate LBR 9010-1(a) and LR 83-3 is without merit. LBR  
23 9010-1(a)(1) provides that "[t]o appear before the court, an attorney  
24 must be admitted to practice before the district court." LR 83-3, made  
25 applicable by LBR 9010-1(a)(2)(C), addresses *pro hac vice* applications  
26 and provides that an "attorney who is an active member in good standing

1 of the bar of any United States court, or the highest court of any state,  
2 territory, or insular possession of the United State, may apply to be  
3 specially admitted *pro hac vice* in a particular case" if certain  
4 requirements are satisfied. Debtor misapprehends the nature of the  
5 employment approved in the Employment Orders. Singapore Counsel have not  
6 applied to appear, and are not appearing, *pro hac vice* before this Court.  
7 As a result, there is no requirement that Singapore Counsel be attorneys  
8 licensed to appear before a United States federal or state court.  
9 Singapore Counsel were and have been retained by the former and current  
10 chapter 7 trustees to represent them in Singapore.

11 Debtor's second argument, that the Employment Orders should be  
12 vacated because Singapore Counsel are not disinterested because they have  
13 interests adverse to Debtor's interests is also without merit. A  
14 disinterested person is a person who

15 (A) is not a creditor, an equity security holder, or an insider;

16 (B) is not and was not, within 2 years before the date of the  
17 filing of the petition, a director, officer, or employee of the  
debtor; and

18 (C) does not have an interest materially adverse to the interest of  
19 the estate or of any class of creditors or equity security holders,  
by reason of any direct or indirect relationship to, connection  
20 with, or interest in, the debtor, or for any other reason.

21 § 101(14). "Disinterested" has a specific and narrow definition under  
22 the Bankruptcy Code. Debtor does not argue, and has not shown, that  
23 Singapore Counsel are not disinterested within the meaning of the  
24 Bankruptcy Code. It is common that an attorney will advance interests  
25 that are in conflict with a debtor's interests in the course of  
26 representing a chapter 7 trustee.

1       The Court has considered any additional arguments raised by Debtor  
2 in the Motion. The Court has already addressed and rejected many of  
3 those arguments in earlier orders. For the same reasons stated in  
4 previous orders, those additional arguments are rejected now as well.  
5 Any remaining arguments are irrelevant and/or without merit.

6       For the reasons stated above,

7       IT IS HEREBY ORDERED that the Motion To Vacate is DENIED.

8                               ###

9 cc: Peter Szanto (via ECF)  
10      Chapter 7 Trustee (via ECF)